

### **393A.040 When property presumed abandoned.**

Subject to KRS 393A.120, the following property shall be presumed abandoned if it is unclaimed by the apparent owner during the period specified below:

- (1) A traveler's check, fifteen (15) years after issuance;
- (2) A money order, seven (7) years after issuance;
- (3) A state or municipal bond, bearer bond, or original-issue-discount bond, three (3) years after the earliest of the date the bond matures or is called or the obligation to pay the principal of the bond arises;
- (4) A debt of a business association, three (3) years after the obligation to pay arises;
- (5) A payroll card or demand, savings, or time deposit account, including a deposit that is automatically renewable, three (3) years after the maturity of the deposit, except a deposit that is automatically renewable is deemed matured on its initial date of maturity unless the apparent owner consented in a record on file with the holder to renewal at or about the time of the renewal, except:
  - (a) Property held in an interest-bearing, demand, savings, or time deposit account shall, from the time it is presumed abandoned under this chapter, be placed by the holder in an interest-bearing account made assignable to the administrator;
  - (b) The administrator may examine the records of the holder relevant to the establishment and maintenance of an interest-bearing account in accordance with this chapter;
  - (c) Upon demand and proper proof by a person appearing entitled to payment of property described in this subsection, the holder may withdraw the property and any accrued interest for payment to the entitled person;
  - (d) Property described in this subsection deposited and not claimed ten (10) years after it is presumed abandoned, or upon actual abandonment, shall be paid to the administrator upon whichever abandonment occurs first; and
  - (e) The administrator shall not be required to credit interest on any property described in this subsection after the property is received under paragraph (d) of this subsection;
- (6) Money or a credit owed to a customer as a result of a retail business transaction, other than in-store credit for returned merchandise, three (3) years after the obligation arose;
- (7) An amount owed by an insurance company on a life or endowment insurance policy or an annuity contract that has matured or terminated, three (3) years after the obligation to pay arose under the terms of the policy or contract or, if a policy or contract for which an amount is owed on proof of death has not matured by proof of the death of the insured or annuitant, as follows:
  - (a) With respect to an amount owed on a life or endowment insurance policy, three (3) years after the earlier of the date:
    1. The insurance company has knowledge of the death of the insured; or
    2. The insured has attained, or would have attained if living, the limiting age under the mortality table on which the reserve for the policy is

based; and

- (b) With respect to an amount owed on an annuity contract, three (3) years after the date the insurance company has knowledge of the death of the annuitant;
- (8) Property distributable by a business association in the course of dissolution, one (1) year after the property becomes distributable;
- (9) Property held by a court, including property received as proceeds of a class action, may be paid to the administrator one (1) year after the property becomes distributable, but shall be paid to the administrator no later than five (5) years after the property becomes distributable;
- (10) Property held by a government or governmental subdivision, agency, or instrumentality, including municipal bond interest and unredeemed principal under the administration of a paying agent or indenture trustee, one (1) year after the property becomes distributable;
- (11) Property payable or distributable in the course of a demutualization of an insurance company, three (3) years after the earlier of the last contact with the policyholder, or the date the property became payable or distributable;
- (12) Wages, commissions, bonuses, or reimbursements to which an employee is entitled, or other compensation for personal services, other than amounts held in a payroll card, one (1) year after the amount becomes payable;
- (13) A deposit or refund owed to a subscriber by a utility, one (1) year after the deposit or refund becomes payable;
- (14) All funds represented by unclaimed pari-mutual winning tickets held in this state by any person, association, or corporation operating a pari-mutual or similar system of betting at quarter horse or Appaloosa racetracks, two (2) years from the time the ticket became payable; and
- (15) Property not specified in KRS 393A.050, 393A.060, 393A.070, 393A.080, 393A.090, or 393A.100, the earlier of three (3) years after the owner first has a right to demand the property or the obligation to pay or distribute the property arises.

**Effective:** July 14, 2018

**History:** Created 2018 Ky. Acts ch. 163, sec. 4, effective July 14, 2018.